Department of Employee Trust Funds GROUP LIFE INSURANCE ADMINISTRATION MANUAL

CHAPTER 17 — LOCAL GOVERNMENT EMPLOYER WITHDRAWAL

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1700 Local Government Employer Withdrawal from Program

- A. The governing body of any local government employer may withdraw from the group life insurance program. Withdrawal becomes effective the first day of the fourth month after the date the withdrawal resolution is received by ETF (Wis. Stats. § 40.70 (4)). (See the sample resolution in Subchapter 1703.)
- B. If an employer withdraws from this program, the insurance will remain in force for the following employees:
 - 1. Any employee who terminated or retired prior to the effective date of withdrawal and who qualified for continuation of insurance.
 - 2. Any employee for whom a waiver of premiums is in effect prior to the effective date of withdrawal.
- C. In <u>no instance</u> will the insurance provided by this plan continue for an employee who is actively employed by the employer <u>after</u> the effective date of the withdrawal, including an employee over age 70.
- D. The resolution to withdraw from the program or any individual coverage plan may be rescinded before it goes into effect. To rescind a resolution, the governing body must submit a certified copy of the nullifying resolution to ETF (Wis. Stat. § 40.70 (4)(a)3.). The nullifying resolution must be signed by the head of the governing body.

1701 Local Government Employer Termination

A local government employer's participation in the group life insurance program may be terminated by ETF or the Group Insurance Board as provided in Wis. Admin. Code ETF § 60.31 (2) under the following circumstances:

A. Participation has declined to zero.

If employee participation in the Basic plan has declined to zero, so that no employee is currently covered by any plan and the employer confirms this fact, ETF may terminate the resolution.

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B. Participation has fallen below the 50% minimum.

If ETF determines that employee participation has fallen below the 50% minimum required by Wis. Stats. § 40.70 (2), the matter may be referred to the Group Insurance Board, which may terminate the resolution.

1702 Local Government Employer Rejoining after Withdrawal

An employer, previously covered under group life insurance, that withdrew by resolution or was terminated, may re-enter the plan at a later date, subject to the provisions currently in effect. ETF may accept or reject the new resolution to participate at its discretion and may charge the employer an assessment for any post-retirement insurance liability (Wis. Stats. § 40.70 (5).

1703 Withdrawal Resolution (ET-1307)

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RESOLUTION TO WITHDRAW FROM THE WISCONSIN PUBLIC EMPLOYERS' GROUP LIFE INSURANCE PROGRAM(S)